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DEPUTIES

Honorable George Deukmejian  
Governor of California  
Sacramento, CA

## REPORT ON ENROLLED BILL

S.B. 255

DAVIS. Crimes.

### SUMMARY:<sup>1</sup>

(1) Existing law provides that it is a public offense to engage in certain unlawful activities with regard to a computer system, computer network, computer program, and computer data. Existing law also allows the owner or lessee of computer systems, networks, programs, or data to maintain a civil action against any person convicted of violating the criminal provisions for compensatory damages.

This bill would substantially recast existing law. It would expand the scope of the prohibited activity, as specified, thereby imposing a state-mandated local program. It would also revise the definitions of that law. This bill would also include provisions exempting persons engaged in designated employee labor relations activities from criminal liability. This bill would also provide that the criminal penalties imposed by this bill do not apply to employees accessing an employer's computer when acting

<sup>1</sup> This is a corrected copy of the digest of the bill. The changes in the digest appearing on the printed bill as adopted are indicated in strikeout and underline.

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This bill would substantially recast existing law. It would expand the scope of the prohibited activity, as specified, thereby imposing a state-mandated local program. It would also revise the definitions of that law. This bill would also include provisions exempting persons engaged in designated employee labor relations activities from criminal liability. This bill would also provide that the criminal penalties imposed by this bill do not apply to employees accessing an employer's computer when acting

<sup>1</sup> This is a corrected copy of the digest of the bill. The changes in the digest appearing on the printed bill as adopted are indicated in strikeout and underline.

within the scope of his or her employment, or the use, knowingly and without permission, of an employer's computer outside an employee's scope of employment which does not result in an injury to an employer, as defined, so long as the value of that use does not exceed \$100.

This bill would specify that for purposes of bringing a civil or a criminal action under this law, a person who causes, by any means, the access of a computer, computer system, or computer network in one jurisdiction from another jurisdiction is deemed to have personally accessed the computer, computer system, or computer network in each jurisdiction.

(2) Under existing law, if a probation officer determines that juvenile court proceedings to declare a person a ward of the juvenile court on the basis of criminal conduct should be commenced, the probation officer is required to cause an affidavit to be taken to the prosecuting attorney.

This bill provides would provide that a probation officer shall cause an affidavit alleging that a minor is within the jurisdiction of the juvenile court on the basis of criminal conduct to be taken immediately or within 48 hours, depending upon the age of the minor and or the nature of the offense, or both to the prosecuting attorney if he or she determines that proceedings to declare the minor a ward of the juvenile court should be commenced. To the extent that the bill would require a higher level of service upon probation officers, it would constitute a state-mandated local program.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates which do not exceed \$500,000 statewide and other procedures for claims whose statewide costs exceed \$500,000.

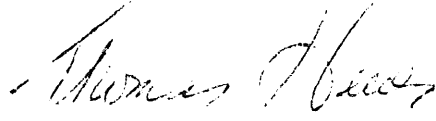
This bill would provide that for certain costs no reimbursement is required by this act for a specified reason.

Report on S.B. 255 - p. 4

This bill would amend Section 653.5 by reenacting the provisions of former subdivision (c) in the form that existed prior to the deletion of that subdivision by A.B. 439.

Thus, if this bill is chaptered, the repeal of Section 653.1 of the Welfare and Institutions Code, and the amendment of Section 653.5 of that code by the deletion of subdivision (c) thereof, by A.B. 439, will remain in effect only until January 1, 1988, on which date provisions identical to those repealed provisions will take effect again as proposed by this bill (Sec. 9605, Gov. C.).

Bion M. Gregory  
Legislative Counsel

By   
Thomas R. Heuer  
Deputy Legislative Counsel

TRH:jdg

Two copies to Honorable Ed Davis  
and Honorable John Vasconcellos,  
pursuant to Joint Rule 34.

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## ED DAVIS

NINETEENTH SENATORIAL DISTRICT  
REPRESENTING PORTIONS OF LOS ANGELES,  
SANTA BARBARA, AND VENTURA COUNTIES

## California State Senate

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VICE CHAIRMAN  
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DISASTER SERVICES  
PRISON CONSTRUCTION AND  
OPERATIONS

September 22, 1987

The Honorable George Deukmejian  
Governor, State of California  
State Capitol  
Sacramento, California 95814

Dear Governor Deukmejian:

You have before you SB 255, the product of three years of thoughtful drafting, hard work, compromise and one last minute misunderstanding.

The bill principally expands the protection afforded individuals, business and governmental agencies and is concerned with tampering, interference, damage and unauthorized access to computer systems. The bill, which is the product of a 16 member Computer Crime Task Force, is a veteran of numerous encounters with Assembly Public Safety, including two this year.

This measure has received immense, active support from business interests, law enforcement, and others who recognize that the proliferation of computer technology has been met with concurrent explosion of computer crimes and intrusions. Weekly news accounts remind us of the vulnerability of defense, banking and industrial data. The modern burglar need not climb through windows to invade our privacy or steal our valuables.

SB 255 recognizes these threats and addresses them through updated definitions and enhanced penalties.

This bill also includes an amendment recodifying provisions of the Welfare and Institutions Code deleted by the provisions of this year's budget trailer bill. I wish to urge without equivocation that this amendment is

The Honorable George Deukmejian  
September 22, 1987  
Page Two

an excellent provision and to convey with equal clarity that its presence in my bill was nonetheless entertained only because it was perceived as a corrective measure consistent with the objectives of the Administration.

Having said this, I must ask your indulgence in reconsidering the merits of Welfare and Institutions Code Sections 653.1 and 653.5(c), both of which pertain to prompt prosecutorial evaluation of serious criminal allegations against juveniles.

Application of these provisions are limited to felony charges, impacting on minors 16 years of age or older, minors who have previously been charged with felonies, and minors charged with one or more of the 20 particularly serious felony offenses enumerated in Welfare and Institutions Code Section 707, which include murder, arson of an inhabited building, robbery, rape, sodomy and kidnapping.

The expunging of these provisions was presented to and accepted by this office as an oversight of the Ways and Means Committee that had not been evaluated in any policy committee in either house. While it was on this basis alone that this amendment was adopted, I wish to note that in 1982 I carried this measure on the Senate Floor with the recorded support of the Attorney General's Office under your direction, the State Bar Committee on Juvenile Justice and CPOA.

The California District Attorneys Association sponsored adoption of the original bill and continues to be a prime proponent.

Senate Bill 255 is legislation which particularly merits your most earnest consideration. It is blemished by inadvertence with a provision which may nonetheless prove equally worthy of your favor. Should you find upon evaluation that some segment of the bill remains offensive, I urge that a remedy be contemplated that does less damage than it corrects.

Accordingly, I once again respectfully urge that you sign this most worthy legislation.

Best regards,



ED DAVIS

Enclosure: List of Support

DEPARTMENT  
Finance

AUTHOR  
Davis

BILL NUMBER  
SB 255

SPONSORED BY

RELATED BILLS

LAST AMENDED

September 10, 1987

**BILL SUBJECT**

This bill recasts the existing computer crime legislation and expands the scope of the prohibited activity. In addition to civil actions, the bill provides for the confiscation of equipment if convicted. The bill further amends the Welfare and Institutions Code providing that a probation officer will, within 48 hours, present to the prosecuting attorney an affidavit alleging that the minor is within the jurisdiction of the juvenile court.

**SUMMARY OF REASONS FOR VETO**

The September 10 amendments would reinstate provisions deleted by the 1987-88 Trailer Bill, Chapter 134/87, and require the State to reimburse counties for the resulting state mandated cost of approximately \$600,000 annually.

**FISCAL SUMMARY--STATE LEVEL**

Code/Department agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)						Code	
	LA	(Dollars in Thousands)							
	CO	RV	FC	1987-88	FC	1988-89	FC	1989-90	Fund
8885 Commission on State Mandates	LA C			\$300	C	\$600	C	\$600	001

**ANALYSIS:**

This bill recasts the existing computer crime bill adding the ability to confiscate the computer equipment of those convicted. The bill provides that any person who commits any of the following acts is guilty of a public offense:

Knowingly and without permission...

- (1) alters, damages, destroys, or otherwise uses data to either  
(A) devise or execute any scheme to defraud, deceive or extort, or (B) wrongfully control or obtain money, property, data or services.
- (2) takes copies, or makes use of any data from a computer, or copies any supporting documentation external or residing in a computer.

(continued)

**RECOMMENDATION**

Department Director

Date

VETO THE BILL

*Richard J. ...*

SEP 22 1987

Principal Analyst  
(83) Joe Pujals

Date

Dir. Ofc. Inf. Tech. Date

Steve E. Kolodney

Governor's Office

Position noted

Position approved

Position disapproved

by:

Date:

*Joe Pujals*

*9-21-87*

*Ronald W. ...*

*9/21/87*

(2)

**BILL ANALYSIS/ENROLLED BILL REPORT--(Continued)**

**Form DF-43**

**AUTHOR**  
Davis

**AMENDMENT DATE**  
September 10, 1987

**BILL NUMBER**  
SB 255

**ANALYSIS (continued)**

- (3) uses or causes to be used computer services.
- (4) adds, alters, damages, deletes or destroys any data computer program or software.
- (5) disrupts or causes the disruption of computer services or denies or causes the denial of computer services.
- (6) provides or assists in providing a means of accessing a computer, in violation of this section.
- (7) accesses or causes to be accessed any computer.

The various offenses are punishable by fines ranging from \$250 to \$10,000 and/or one year to three years in prison.

In addition to any other civil remedy, the owner or lessee of a computer may request compensatory damages including any reasonable cost necessary to verify that the data, programs or computing system were not altered, damaged or deleted. The conduct of an unemancipated minor is imputed to the parent or legal guardian.

For the purposes of bringing suit, the accessing of a computer or network in one jurisdiction from another jurisdiction is deemed to have accessed the computer or network in both jurisdictions. In any action the court may award attorneys fees to the prevailing party.

The bill provides for confiscation of computing equipment, programs or other devices used in the commission of a public offense. Following a hearing to determine ownership, seized equipment may be used by the county or distributed to public or nonprofit corporations as may be deemed appropriate by the court. This bill also adds Section 502.01 to the penal code defining the rules that the court must follow in pursuing forfeiture of equipment.

The bill does not apply to anyone when they are acting within the scope of his or her lawful employment and it does not apply to noncommercial, incidental transactions that are personal to an employee and beyond the scope of the employer's business if the transactions do not cause injury or incur expenses greater than one hundred dollars. Nor does it criminalize employee labor relation activities that are within the scope of and protected by labor laws of the State or Federal Government.

This bill will not preclude the applicability of any other law and is effective after January 1, 1988. It is not retroactive.

(continued)



(3)

**BILL ANALYSIS/ENROLLED BILL REPORT--(Continued)**

**Form DF-43**

**AUTHOR**  
Davis

**AMENDMENT DATE**  
September 10, 1987

**BILL NUMBER**  
SB 255

**ANALYSIS (continued)**

Chapter 1088/82 established a two-year statewide pilot project which required probation officers to forward certain felony offenses involving minors to the district attorney for action. Under prior law, probation officers had the option, after investigating a case, of releasing the minor without further action, placing the minor on informal probation, or referring the case to the district attorney. The Chapter contained a "general" disclaimer, but the Board of Control, in September, 1983, found that it imposed reimbursable mandated cost on counties. Chapter 1412/84 (SB 1898, Ayala) removed the pilot project aspect of this program and made it permanent. Chapter 1175/85 (AB 1301 Vasconcellos) appropriated \$2.3 million to reimburse counties' 1982-23 through 1985-86 costs of the program; annual ongoing costs are estimated at \$636,000. Since probation officers had been referring the more serious offenses to the district attorney before chapter 1088 was enacted and would more than likely continue to do so in the absence of a specific statutory requirement that they do so, Chapter 134/87 (AB 439) the Budget Trailer Bill repealed the mandates.

The September 10 amendments to SB 255 would reinstate this requirement thereby eliminating the \$600,000 in annual savings which the "trailer bill" provides. Staff of the Senator Davis' office, indicate that this amendment was requested by the District Attorneys Association on the basis that the trailer bill's impact on the program had not been evaluated by any policy committee in the Legislature and should be evaluated before any said changes are made. That staff member also indicated that the District Attorneys Association believes that including the repeal of Chapter 1088/82 in the trailer bill was an inadvertent oversight. Finance staff can State unequivocally that it was not an oversight. We recommend that SB 255 be vetoed so that the projected savings to the General Fund of over \$600,000 annually will be realized.

**ENROLLED BILL REPORT**

STATE OF CALIFORNIA

AGENCY	YOUTH AND ADULT CORRECTIONAL AGENCY	BILL NUMBER SB 255
DEPARTMENT, BOARD OR COMMISSION	CORRECTIONS	AUTHOR Davis

SB 255 would (1) repeal and add various provisions related to computer data access and fraud, and (2) alter certain procedures that probation officers must follow when criminal proceedings are initiated in juvenile court, as specified.


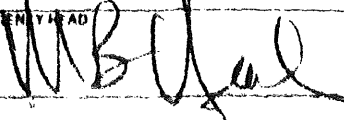
**IMPACT ASSESSMENT**

Existing Penal Code (PC) § 502 provides definitions of computer-related terms, specifies computer crimes that are punishable as alternate misdemeanors/felonies, and computer crimes that are punishable as infractions or misdemeanors.

SB 255 would repeal the existing PC § 502 provisions and enact the "Comprehensive Computer Data Access and Fraud Act." Subdivision (a) of PC § 502, as added by this bill, would specify legislative intent in enacting this proposed law. Subdivision (b) of PC § 502, as added by the bill as introduced, would define computer-related terms as used in PC § 502, as proposed. These defined terms are retained in the current version of the bill with one exception. The term "injury" (in paragraph (8)) was defined as any alteration, deletion, damage or destruction of a computer system, computer network, computer program or data caused by the access, or any expenditure reasonably and necessarily incurred by the owner or lessee to verify that a computer system, computer network, computer program or data was or was not altered, deleted, damaged or destroyed by the access.

SB 255 would modify the proposed definition of the term "injury" (in paragraph (8)) and would add a definition for the term "victim expenditure" (in paragraph (9)) as used in this section. "Injury" would be defined as any alteration, deletion, damage or destruction of a computer system, computer network, computer program or data caused by the access. "Victim expenditure" would be defined as any expenditure reasonably and necessarily incurred by the owner or lessee to verify that a computer system, computer network, computer program or data was or was not altered, deleted, damaged or destroyed by the access. These proposed changes would clarify these terms as used in proposed PC § 502(c).

**RECOMMENDATION****SIGN THE BILL**

DEPARTMENT HEAD 	DATE 9/23/87	AGENCY HEAD 	DATE 9-24-87
--	-----------------	---	-----------------

This bill would add PC § 502(c), to provide that any person who, knowingly and without permission, does any of the following acts is guilty of a public offense:

- (1) accesses and alters, damages, deletes, destroys or otherwise uses any data, computer, computer system, or computer network in order to either (a) devise or execute any scheme or artifice to defraud, deceive or extort, or (b) wrongfully control or obtain money, property or data;
- (2) accesses and takes or copies or makes use of any data internal or external to a computer, computer system, or computer network;
- (3) uses, or causes to be used, computer services;
- (4) accesses and adds, alters, etc., any data, computer software, computer programs, or supporting documentation, to a computer, computer system, or computer network; or
- (5) disrupts or denies or causes the disruption or denial of computer services, as specified.

SB 255 would propose PC § 502(d)(1), to provide that violations of any provisions of paragraph (1), (2), (4) or (5) of proposed PC § 502(c), are punishable by imprisonment in state prison for 16 months, 2 or 3 years, or in county jail not exceeding 1 year, or by a specified fine, or by both a fine and imprisonment.

This bill would also propose PC § 502(d)(2)(A), to provide that a first violation of paragraph (3) of PC § 502(c) that does not result in injury and where the value of the computer services used does not exceed \$400, would be punishable as a misdemeanor. Proposed PC § 502(d)(2)(B) would provide that any violation which results in a victim expenditure in an amount greater than \$5,000, or in an injury, or if the value of the computer services used exceeds \$400, or for any second or subsequent violation, would be punishable by a fine not exceeding \$10,000, or by imprisonment in state prison for 16 months, 2 or 3 years, or by both a fine and imprisonment, or by a fine not exceeding \$5,000, or by imprisonment in county jail not exceeding 1 year, or by both fine and imprisonment.

This bill would also provide that it is a public offense to knowingly and without permission:

- ° provide or assist in providing a means of accessing a computer, computer system, or computer network (proposed PC § 502(c)(6)); or

- ° access or cause to be accessed any computer, computer system, or computer network (proposed PC § 502(c)(7)).

Proposed PC § 502(d)(3)(A), would provide that a first violation of paragraph (6) or (7) of proposed PC § 502(c) that does not result in injury shall be an infraction, punishable by a fine not exceeding \$250. PC § 502(d)(3)(B) would provide that a violation of these provisions that results in a victim expenditure in an amount not greater than \$5,000, or for a second or subsequent violation, is punishable as a misdemeanor.

PC § 502(d)(3)(C) provides that for any violation of paragraph (6) or (7) of proposed PC § 502(c) which results in a victim expenditure in an amount greater than \$5,000, is punishable by a fine not to exceed \$10,000, or by imprisonment in the state prison for 16 months, 2 or 3 years, or by both the fine and imprisonment, or by a fine not to exceed \$5,000, or by imprisonment in county jail not to exceed 1 year, or by both the fine and imprisonment.

The addition of proposed PC § 502(c) would result in persons new to prison because those provisions are broader than current provisions (e.g., denies computer services, adds data to computer, etc., would be new to current law). (Proposed PC § 502(i) would provide that subdivision (c) does not apply to any person who accesses his or her employer's computer system, computer network, computer program, or data when acting within the scope of his or her employment.)

SB 255 would also add various provisions (regarding civil remedies, seizure of computer-related items, etc.) that would have no impact on the state prison system.

In addition, the current version would amend various provisions of the Welfare and Institutions Code regarding procedures that probation officers must follow when criminal proceedings are initiated in juvenile court against a minor. These proposed changes simply reinstate previous law and also would have no impact on the prison system.

SB 255 would result in persons new to state prison for those illegal activities that are currently punishable as misdemeanors under the provisions of existing PC § 502, but that would be punishable as alternate misdemeanors/felonies under the provisions of PC § 502, as proposed. The addition of the computer-related criminal activities, not covered in existing PC § 502 provisions, could also result in persons new to state prison. However, an estimate cannot be provided because no known

Enrolled Bill Report  
SB 255 (Davis)  
Page 4

data sources are available upon which to base an estimate. In addition, it cannot be determined how many individuals would receive the alternate misdemeanor punishment. (OBIS CY 1986 data show only 3 felons were admitted to prison for violating existing PC § 502.)

ARGUMENTS PRO AND CON

Pro { This bill modernizes the law to keep pace with evolving computer technology resulting in more widespread and sophisticated abuses. }

Con - None.

RECOMMENDATION

Sign the bill.

## UNFINISHED BUSINESS

## SENATE RULES COMMITTEE

Office of  
Senate Floor Analyses  
1100 J Street, Suite 120  
445-6614

Bill No. SB 255  
Author: Davis (R)  
Amended: 9/10/87  
Vote Required: Majority

Committee Votes:

Senate Floor Vote: Page 812, 4/9/87

COMMITTEE: SENATE		
BILL NO.:	SB 255	
DATE OF HEARING:	3-10-87	
SENATORS:	AYE	NO
Doolittle	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Keene	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Marks	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Petris	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Presley	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Richardson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Torres	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Watson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lockyer	<input checked="" type="checkbox"/>	<input type="checkbox"/>
TOTAL:	12	0

PLACED  
IN FILE  
AS SUANT  
TO SENATE  
FILE 28.8

**Senate Bill 255**—An act to repeal and add Section 502 of the Penal Code, relating to crimes.

Bill read third time.

## Roll Call

The roll was called and the bill was passed by the following vote:  
AYES (31)—Senators Alquist, Ayala, Bergeson, Beverly, Craven, Davis, Deddeh, Dills, Doolittle, Caramendi, Bill Greene, Leroy Greene, Hart, Keene, Kopp, Lockyer, Maddy, Marks, McCorquodale, Mello, Petris, Presley, Roberts, Rogers, Rosenthal, Royce, Russell, Seymour, Torres, Vuich, and Watson.

NOES (0)—None.

Bill ordered transmitted to the Assembly.

Assembly Floor Vote: PENDING

**SUBJECT:** Penal Code relating to crimes

**SOURCE:** Los Angeles Board of Supervisors

**DIGEST:** This bill recasts the existing computer crime legislation and expands the scope of the prohibited activity. In addition to civil actions, the bill provides for the confiscation of equipment if convicted.

**Assembly Amendments** remove provisions relative to seizure and confiscation of computers.

The amendments also restore inadvertently deleted provisions from existing law relating to probation departments.

**ANALYSIS:** Existing law makes it a crime, punishable by imprisonment and fines which in no case may exceed \$10,000, for any person to, among other things, access a computer system or network: 1) intentionally in order to defraud or extort; 2) maliciously; or 3) intentionally and without authorization, with the knowledge that the access was unauthorized.

This bill would repeal and then rewrite Penal Code Section 502. It would broaden existing definitions, expand the scope of prohibited computer related activity, and restructure fines and imprisonment penalties for violations.

According to the Senate Judiciary Committee analysis, the purpose of the bill is to clarify and broaden existing law, as well as provide increased penalties commensurate with the gravity of the offense.

CONTINUED

This bill was developed by the Computer Crime Task Force, which is a subcommittee of the Los Angeles County Criminal Justice Coordinating Committee. The Task Force is composed of 16 members including representatives from law enforcement, district attorney offices, the U.S. Attorney's office, and private industry, including banks, accounting firms and big business. No representatives of the defense bar are on the Task Force. The primary duty of the task force is to develop a Model Computer Crime Act; and, in so doing, it created a bill which it believes would meet the specific computer crime problems in California.

This bill would broaden the application of existing law by redefining terms that are used in existing law, such as "access", "computer system", "computer network", "computer program" and "data". It would also define new terms, such as "computer services" and "supporting documentation".

The task force believes that it is necessary to provide standard definitions in order to insure higher conviction rates. Proponents believe that the new definitions would be broader, and would be directed more to computer users than lawyers but would be acceptable to both the business and legal communities.

This bill would create seven new crimes involving computers. Any person who did any of the following acts, if the act was not within the course and scope of employment, would be guilty of a crime:

- 1) Knowingly accesses and without permission alters, damages, deletes, destroys, or otherwise uses any data, computer, computer system, or computer network in order to either (A) devise or execute any scheme or artifice to defraud, deceive, or extort, or (B) wrongfully control or obtain money, property, data, or services.
- 2) Knowingly accesses and without permission takes, copies, or makes use of any data from a computer, computer system, or computer network, or takes or copies any supporting documentation, whether existing or residing internal or external to a computer, computer system, or computer network.
- 3) Knowingly and without permission uses or causes to be used computer services.
- 4) Knowingly accesses and without permission adds, alters, damages, deletes, or destroys any data, computer software, or computer programs which reside or exist internal or external to a computer, computer system, or computer network.
- 5) Knowingly and without permission disrupts or causes the disruption of computer services or denies or causes the denial of computer services to an authorized user of a computer, computer system, or computer network.
- 6) Knowingly and without permission provides or assists in providing a means of accessing a computer, computer system, or computer network in violation of this section.
- 7) Knowingly and without permission accesses or causes to be accessed any computer, computer system, or computer network.

Existing penalties for maliciously or intentionally accessing a computer system or network in order to defraud or extort is punishable by imprisonment and a fine which in no case may exceed \$10,000. Intentionally accessing a computer system or network without authorization when no injury results, is an infraction punishable by a fine not exceeding \$250. If injury results, or if it is a second offense, the fine could be imposed not to exceed \$5,000 and/or imprisonment in county jail not exceeding one year.

The various offenses are punishable by fines ranging from \$250 to \$10,000 and/or one year to three years in prison.

- 1) In addition to any other civil remedy the owner or lessee of a computer may request compensatory damages including any reasonable cost necessary to verify that the data, programs or computing system was not altered, damaged or deleted. The conduct of an unemancipated minor shall be imputed to the parent or legal guardian.
- 2) In any action the court may award attorney's fees to the prevailing party.

This bill will not preclude the applicability of any other law.

This bill is effective after January 1, 1988 and is not retroactive.

Assembly amendments restore previously existing law requiring probation department to bring felony complaints to the attention of the district attorney's office before instituting informal probation rather than prosecution. This measure was inadvertently repealed as part of the budget rider bill purely on a fiscal basis and was not heard in any policy committee. None of the affected committees objected. The CDAA and probation officer support the reinstitution of the measure which is without opposition.

The Senate Floor Analyses office has been informed that this was, indeed, inadvertently deleted in Assembly Ways and Means and Assemblyman John Vasconcellos has signed off that this is a proper amendment.

#### Prior Legislation

AB 2551 (1983) Committee on Economic Development and New Technology, passed the Senate on 8/17/74, 33-0, (Page 13581), Chapter 949 of the Statutes of 1984.

SB 1786 (1986) Davis, passed the Senate on 5/22/86, 28-1, (Page 5850), voting no: Keene, died in Assembly Judiciary.

FISCAL EFFECT: Appropriation: No Fiscal Committee: Yes Local: Yes

No fiscal impact. Contains SB 90 Crimes and Infraction language.



SUPPORT: (Verified 9/10/87)

Union Bank  
Security Pacific National Bank  
Information Systems Security Association  
Southern California Gas Company  
California Bankers Association  
Hughes Aircraft  
Santa Cruz County Board of Supervisors  
Northrop Corporation  
Los Angeles County Sheriff  
Attorney General  
Equifax Inc.,  
Los Angeles County District Attorney  
Department of Finance  
Rockwell Inc.  
Sacramento County Sheriffs Department  
TRW Inc.  
California Police Officers Association  
California Police Chiefs Association  
California State Sheriffs Association  
County of Los Angeles  
The Credit Bureau, Inc. (CBI)

ARGUMENTS IN SUPPORT:

Rockwell International

"At Rockwell we have established a corporate nationwide information security program. An element of this program addresses preventive and detective measures to protect company information resources against computer crime. We employ several security officers at more than 20 facility locations who are involved in the investigation and potential prosecution of information security violations. Computer crime legislation is of special interest to us.

Passage of legislation such as the proposed SB 255 provides us with a useful reference in administering our security program and serves as a deterrent to computer crime as well as an aid in its prosecution when necessary."

Northrop

"Northrop believes this legislation reflects more appropriate definitions of computer crimes and is more comprehensive than current statutes. Passage of SB 255 would be beneficial to the private and public sectors in the deterrence and prosecution of crimes in this area."

Southern California Gas Company

"SoCalGas believes that SB 255 is a positive, and much needed step toward deterring computer crime and would benefit all companies which utilize computing and data resources."

Security Pacific National Bank

"Two SPNB staff members are on the Los Angeles County Computer Crime Task Force who developed this computer crime legislative proposal. We endorse it as a reasonable and responsible method of addressing and attacking the expanding computer crime trend. Further, we would be pleased to be listed as a co-sponsor of this measure."

Hughes Aircraft

"The proliferation of computer technology and the ever increasing reliance on public and private agencies in the utilization of this technology as the potential of impacting each individual. Therefore, it is critical that the legislature provide the most appropriate mechanism for prosecuting those who commit computer crime. We believe this proposed legislation achieves this objective."

TRW

"TRW's Information Services Division operates one of the country's largest consumer credit reporting agencies. We maintain files on over 130 million individuals and service these consumers through 21 offices and 80 independent credit bureaus nationwide. We are extremely concerned with any unauthorized access to our data base and place high priority on security-related issues and programs.

We believe that the provisions contained in SB 255 will work to protect the integrity of information held in computer systems and guard the privacy of individuals and businesses."

County of Los Angeles

"The proliferation of computer has facilitated the abuse of information systems and data. A June, 1984 American Bar Association report indicated that 25% of America's largest companies suffer annual losses attributable to computer crime of between \$145 million and \$730 million. Detection and prosecution is difficult because of the volume of illegal activity and the limitations on justice system personnel. Senate Bill 255 attempts to mitigate some of these problems by providing standardized definitions acceptable to both the business and legal communities."

California Attorney General

"This is an excellent, comprehensive bill which clarifies and broadens existing law."

RJC:mf 9/10/87 Senate Floor Analyses